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FIRST COUNTRY COOPERATION FRAMEWORK FOR SWAZILAND (1997-1999)

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INTRODUCTION

1. The first country cooperation framework (CCF) for Swaziland sets the basis for cooperation between the Government and the United Nations Development Programme (UNDP) for the period 1997-1999. It is the result of a consultative process between the Government, United Nations specialized agencies, managers of ongoing UNDP-assisted projects, various national stakeholders, and international donors. The advisory note prepared by UNDP in October 1996 and accepted in essence by the Government, set out how UNDP cooperation might best support the country's developmental efforts.

2. Additional sources of information in the preparation of the CCF include UNDP consultancy reports, several documents pertaining to the fourth and fifth country programmes, including eight ongoing projects, non-governmental organization (NGO) publications, and various Government documents such as national development plans, the draft National Development Strategy report, and the Economic and Social Reform Agenda report.

I. NATIONAL DEVELOPMENT SITUATION

3. Swaziland covers an area of 17,364 sq km and is divided into four physiographical regions: highveld, middleveld, lowveld, and the Lubombo Plateau. Swaziland is classified as a low-middle income country with a per capita income of $1,100. Population is estimated at 894,100 (1994), growing at a rapid rate of 3.4 per cent per annum, with a density of 49 persons per sq km. Some 70 per cent of Swazis are rural subsistence farmers on Swazi Nation Land - land held in trust by the King and administered by chiefs.

A. Development goals and priorities

4. The Government is pursuing a National Long-Term Perspective Study (NLTPS) aimed at developing a 25-year vision, the National Development Strategy, which is to be completed by the end of 1997 and then translated into development programmes. The process has been consultative and participatory, involving all national stakeholders, including parliamentarians. The Government also launched the Economic and Social Reform Agenda, which is designed to kick-start the economy by addressing wide-ranging issues of immediate national attention. The range of development goals pursued under the Agenda directly relate to the enhancement of good governance and the restoration of sustainable economic growth, with emphasis on employment, environment, empowerment and equity - all tenets of sustainable human development (SHD). The Strategy and the Agenda will constitute the basis for the country strategy note (CSN), the preparation of which will commence in the third quarter of 1997.

B. Current problems and challenges

5. In pursuing its future development strategies, the Government will take full account of the uncertainties and challenges and address them in a timely manner. They include: (a) the low level of economic growth and official forecasts of the continued downward trend; (b) the increase in recurrent expenditures, which has resulted in escalating fiscal and current account deficits, expected to be compounded by declining Southern African Customs Union revenues, and delays in the implementation of adequate tax reforms; (c) deteriorating industrial relations; and (d) the changing regional environment, which has given rise to increasing competition from imported goods as well as competition from the Republic of South Africa for foreign direct investment. These developments are of concern to the Government in light of the rapid rate of population growth, the effect of which is not only to reduce per capita income but also to put pressure on social services, particularly health and education, push up unemployment in an environment of decreasing opportunities for employment creation, and foster social instability. The severe impact of the HIV/AIDS epidemic on human development further threatens the sustainability of past socio-economic gains. HIV prevalence among pregnant women is estimated at 19 per cent while 40 per cent of all reported cases of AIDS are found in the most economically productive age group - 15 to 29 years.

6. Poverty alleviation. The Government acknowledges that poverty is of increasing concern, as evidenced by the ongoing participatory poverty assessment. Poverty has thus become a priority area for national attention. Poverty can be attributed to the rapidly expanding population, the skewed distribution of income and resources, together with the low economic performance occurring at the same time that investment flows are on the decline. The increasing incidence of poverty is exasperated by the widening gaps in rural-urban development, escalating unemployment or underemployment, a rapidly growing informal sector, and the rising trend of female-headed households (39 per cent); growing environmental problems leading to food insecurity; and the vulnerability of large parts of the country to drought. The incidence of poverty among female-headed households is estimated at 1.7 times greater than in those headed by men, as rural and peri-urban women are faced with limited wage-earning opportunities. Recognition and understanding of the problems outlined above has taken place only recently and there are therefore no adequate social safety nets in place to meet the needs of disadvantaged groups: people with disabilities, the aged, the unemployed, and rural and peri-urban women.

7. Job creation/sustainable livelihoods. Official estimates of unemployment, based on the 1991 household expenditure survey, set the figure at 18.2 per cent nationally and 25.2 per cent in the rural areas. Growth in job opportunities has not kept pace with the expansion in economic activities. In addition, corporate financial restructuring has led to worker retrenchment, and structural underemployment is growing. Therefore, the prospects for new jobs in the formal sector are bleak, with paid employment expected to increase by only 0.7 per cent per annum in the medium term. As a result, increasing numbers of the unemployed (mostly women) strive to make a living in the informal sector. Another result of unemployment is migration to urban centres in search of employment opportunities. The profile of the unemployed also gives cause for concern, as 50 per cent of them are between 15 to 24 years old, and 26 per cent are between

25 and 34 years old. The Government recognizes that the expansion of productive and remunerative work opportunities is a critical element in the generation of a vibrant economy and alleviation of poverty and is therefore committed to promoting the creation of sustainable employment opportunities.

8. Environmental protection and regeneration. One of the most serious environmental challenges facing the country is soil degradation. Arable land comprises 10 per cent of the total, and as population pressure increases, a larger number of rural households are settling on and exploiting marginal land for both animal and crop farming. This, coupled with frequent torrential showers, contributes to severe soil erosion and general land degradation. Much of the lowveld and parts of the middleveld - which together cover 66 per cent of the total land area - are especially prone to drought and degradation, with evidence of desertification in the semi-arid parts of the lowveld. A substantial part of the Swazi Nation Land that has good crop potential is used for grazing, a practice which is leading to increasing soil erosion. Tree-cutting in the rural areas, where wood is the main source of energy, is also leading to deforestation. Environmental problems were exasperated by the 1991-1995 drought, which created additional human hardships for many of the poorest rural households who lost most of their assets, registering for food aid under the World Food Programme food-for-work programme. At the same time, there was a severe shortage of water for both domestic and industrial use. This served to highlight the poor management of water resources, which is spread across several uncoordinated organs - governmental and non-governmental - as well as the failure to undertake a comprehensive assessment of water resources.

9. The Government is committed to, and recognizes, the centrality of environmental matters to sustainable development, particularly in its relation to poverty alleviation and women. The Government's intention is to integrate environmental sustainability considerations across the different sectors and into the overall planning system. One option available for addressing the environmental issue is through the implementation of the Convention to Combat Desertification and Drought, and the Government has requested UNDP, through the Office to Combat Desertification and Drought (UNSO), to support its efforts in the formulation and implementation of a national action programme.

10. Advancement of women. The Government has acknowledged the marginalization of women and underscored commitment to gender equity and economic empowerment of women. The treatment of women as minors is reinforced by cultural practices, attitudes and the legal framework. Following the participation of Swaziland in the Fourth World Conference on Women (Beijing, 1995), various organizations, under the umbrella of the Steering Committee on Gender and Women's Affairs, have stressed the need to mainstream gender concerns in national development policies and programmes. In recognition of these concerns a gender desk has been established in the Ministry of Home Affairs. As part of the Economic and Social Reform Agenda and in order to accelerate the achievement of gender equity, the Government has also recently constituted a task force to draw up a gender policy statement and a time-bound programme of policy implementation. Swaziland plans to ratify the Convention on the Elimination of Discrimination against Women in July 1997.

11. Governance. Swaziland is, administratively, a dualistic society, where traditional and modern values, practices, and institutions co-exist and determine social, economic and political behaviours. The Government is made up of Cabinet and the Parliament, while traditional government institutions consist of Chiefs, grouped into administrative centres (Tinkhundla). The legal system comprises a mixture of Dutch Common Law and English Common Law on the one hand, and the Swazi Law and Custom on the other. The dualistic system of governance results in confusion arising from overlaps in roles and responsibilities.

12. In recent years, the Government has launched some major initiatives aimed at reviewing its political, economic, and constitutional situations. A nationwide review of the system of government was undertaken in 1992-1993. This provided an open forum for the Swazi people to voice their concerns about the electoral system and the problems relating to the interface between the traditional and modern systems of governance. Submissions addressed broader issues such as gender, efficiency, participation, transparency and accountability, and brought out two key demands: (a) universal suffrage and (b) the need for a written constitution. This resulted in the direct elections of Members of Parliament in 1993. An economic review was conducted in 1994-1995. Its report noted a decline in good governance, singling it out as the most important factor in achieving political stability, legitimacy, and sustainable economic development. The ongoing constitutional review is the most recent initiative in the country's pursuit of national transformation. The review will stimulate national debate and pull together all relevant legislation in order to develop a constitution enshrining the national values upon which good governance in Swaziland will be based.

II. RESULTS AND LESSONS OF PAST COOPERATION

13. Impact of fifth country programme. The Government is of the opinion that in spite of its comparatively small financial resources (2.0 per cent of Official Development Assistance to Swaziland), the organization has been able to assist the Kingdom to make significant headway in its developmental efforts. The most significant areas of cooperation relate to: the formulation of the national long term-vision - the National Development Strategy, including specific support to public sector management; the study of the socio-economic impact of the HIV/AIDS epidemic; enhanced land-use planning through the establishment of a database of agriculture-related natural resources and of a set of recommendations for the formulation of a national land-use plan; greater attention to environmental issues; and increased access to potable water and adequate means of sanitation in rural areas, as well as the establishment of the Rural Water Supply Branch as a fully-fledged Government department. However, the lack of clearly defined programme frameworks resulted in unrelated projects the impact of which on the achievement of national development goals is difficult to assess.

14. Other important lessons learned are: the need for coordination among agencies and within government ministries; the need to continue to build suitable capacity within the Government to formulate, implement and monitor policies and programmes, especially in an environment of high turnover of government officials that overstretches the capacity of key departments to

provide effective leadership to programmes and projects; the importance of the national execution modality; the need to minimise divergent understanding and expectations that can contribute to slow programme delivery; future UNDP support to the country's efforts must be designed within the framework of the programme approach; and the need for adequate information pertaining to development issues and the mobilization and coordination of external assistance.

III. PROPOSED STRATEGY AND THEMATIC AREAS

15. The Government intends to use UNDP cooperation in its efforts to strengthen good governance and promote sustainable livelihoods for poverty alleviation within the context of the National Development Strategy and the Economic and Social Reform Agenda, as well as in its efforts to mobilize the resources required for their successful implementation. In pursuit of the foregoing, the Government has adopted the following strategies: the programme approach will lay a sound basis for the coordination of external assistance and its integration into national programmes and processes in order to ensure a greater relevance and impact; national execution will be the norm for programme implementation in recognition of the importance of national ownership in providing direction to, and control of, the development process; people participation to empower the majority to take part in the decisions that affect their livelihoods; the UNDP comparative advantage will be utilized in the form of both direct and catalytic roles in the development process, especially because of its neutrality and wide experience in development issues and resource mobilization; and the resident coordinator mechanism will enhance the efficiency, effectiveness, and impact of United Nations system activities in the country; the interventions of the United Nations agencies will be harmonized and integrated; complementarity will be ensured between the priorities of the country, the donor community and the United Nations system; the CSN process will be pursued; and a coordinated approach to the National Development Strategy and the Economic and Social Reform Agenda will be developed.

16. The Government wishes to see commitments made at international forums translated into concrete programmes in a coordinated manner, and has therefore enshrined such goals in the Economic and Social Reform Agenda as evidence of their strength as priorities. In his address to the World Summit on Social Development (Copenhagen, 1995), the King declared that poverty was of increasing concern to Swaziland and was a priority area for national attention. This, together with the importance of good governance, was confirmed by the Prime Minister in his Policy Statement issued in August 1996, the two recurring themes of which were (a) the need for economic growth to improve the welfare of the people and (b) good governance based on transparency, accountability, discipline and the rule of law.

17. In the light of the convergence between the challenges inherent in the National Development Strategy and the Economic and Social Reform Agenda and the thematic development areas identified by the Executive Board, the overall support of UNDP will be geared to poverty alleviation. In this bid to replace poverty with equity, UNDP will concentrate on two programmes: (a) strengthening capacity for good governance and (b) promotion of sustainable livelihoods.

A. Strengthening capacity for good governance

18. The Government considers good governance as an important programme because it defines the overall environment within which all economic activity towards poverty eradication takes place. The basic objectives of the governance programme are to build institutional capacity for translating national aspirations into concrete activities; build a conducive political and bureaucratic environment for implementing the National Development Strategy and the Economic and Social Reform Agenda; foster the integration of traditional and customary law into modern common law; and promote a more effective and efficient public sector.

19. The first area for UNDP intervention in enhancing the capacity for good governance is political and social transformation. The key activity here is the codification of the country's customary law in all its aspects. This includes both its public dimensions (i.e., constitutional, administrative, criminal) and private dimensions (i.e., family, marriage, guardianship, contract, delict, succession and inheritance).

20. The second area of intervention is the strengthening of the strategic management of socio-economic development. It is expected that UNDP will assist in strengthening the capacity of the National Development Strategy sector committees to translate the sectoral strategies into viable national/sectoral programmes. UNDP support is also expected for developing more systematic monitoring and evaluation mechanisms within the Government that are critical for effective policy and programme formulation and implementation.

21. The third area will focus on empowering all segments of civil society to participate effectively in the national development process. UNDP support is expected in the following activities: organizing various forums to discuss key elements of political transformation and produce and disseminate knowledge, information, and experience to enable all citizens to make an informed decision on the way forward; and formulating mutually agreed-upon policies to optimize the strengths of civil society organizations.

22. In the fourth area of intervention - decentralization - the key activities are: providing capacity-strengthening to enhance leadership and management at national and subnational levels for better service delivery as well as for effectively implementing the Government's decentralization strategy; and designing communication linkages between different tiers of government.

23. The expected impact under the thematic area of governance is a major contribution to national efforts aimed at creating the appropriate legal and institutional capacities to pursue good governance. There is expected to be a greater participation in national issues, including improved attendance and submissions during the political transformation process. The codification of customary law will have a direct impact on the constitutional review process as well as on the work of the Governance and Public Sector Management Committee of the National Development Strategy. The Strategy process itself is expected to contribute to the strengthening of key institutions involved in the management of Swaziland's socio-economic development. Capacities for the formulation, implementation, evaluation and monitoring of policies and programmes will be

enhanced not only within the various tiers of a decentralized government but also within specific sections of civil society.

B. Promotion of sustainable livelihoods

24. The Government intends to fight poverty by creating an environment in which unemployed and underemployed people at the grass-roots level, particularly women, the rural poor and disadvantaged groups such as people with disabilities and people living with HIV/AIDS, can ensure a sustainable livelihood. Also, the interventions to fight poverty should enhance food security at the household level by promoting the most effective use of available natural resources such as land and water (this implies their conservation, regeneration and environmentally sound exploitation), and by preventing and mitigating the adverse effects of natural disasters. In addition, limited access to safe water is one of the major constraints faced by the poor in the rural areas. Thus, the implementation of Long-Term (Year 2020) Strategic Planning Framework for rural water supply development has become a top national priority.

25. Three areas have thus been identified for UNDP intervention to promote sustainable livelihoods: (a) small and micro enterprise development; (b) natural resources management; and (c) disaster preparedness, prevention and mitigation. The activities identified under the first area are: institutional strengthening of the Swaziland Enterprise Fund to respond adequately to the needs of beneficiaries; provision of training to the intermediary NGOs and community-based organizations (CBOs) dealing directly with beneficiaries; and direct training of beneficiaries in entrepreneurial skills, with a special focus on women, to enable them to maintain and expand the assets created.

26. In the second area, activities will focus on increasing productivity on Swazi Nation Land; developing capacity to promote the sustainable management of natural resources and protection of the environment; promotion of integrated water resources development and management; and support to the Long-Term Rural Water Sector Development Framework.

27. In the third area, the priority activities for UNDP support are the formulation of a national disaster-preparedness plan; enactment of legislation in support of the plan; assessment of training needs for disaster management and provision of the necessary training to stakeholders; the establishment of a disaster management team with representation from the Government, NGOs and United Nations specialized agencies which will share information, monitor the process and ensure grass-roots participation; and raising the capacity to understand early warning signals, especially at the community level.

28. The expected impact under the sustainable livelihoods intervention is improved living standard of poor rural and peri-urban households, particularly those headed by women. The programme should contribute to the expansion of opportunities and choices for the poor through access to productive employment and income-generating activities.

IV. MANAGEMENT ARRANGEMENTS

A. Management of the cooperation framework

29. During the fifth country programme, the Government decided to increase the use of the national execution modality with the intention maximizing programme impact and sustainability, ownership and accountability. This resulted in an increase in the proportion of national execution from 4 per cent of the total in 1992 to 65 per cent in 1995. However, it became evident that, in order to implement national execution effectively, the understanding of the modality needed to be further improved on the part of the Government and UNDP. Capacity-building for national execution, thus, will thus be an important activity. The internalization of the modality will be facilitated by the availability of the national execution manual currently being prepared by the External Assistance Unit of the Ministry of Economic Planning and Development. UNDP is expected to encourage the continuation and expansion of implementation by NGOs and CBOs. Also, the Government wishes to see key government and civil society organizations extended the opportunity to learn from the experiences of countries that have achieved 100 per cent national execution. A capacity-assessment exercise on national execution and potential implementing institutions is scheduled for the second quarter of 1997. Further, as required, the Government will request the services of the United Nations specialized agencies for implementation and policy advice, and for technical expertise and backstopping services to complement the capacity of national institutions during programme implementation. The Government also expects to access and utilize the services of United Nations Volunteer Specialists/Domestic Development Services field workers, South-South Cooperation through technical cooperation among developing countries, United Nations International Short-Term Advisory Resources, and resident and non-resident national consultants under the transfer of knowledge through Expatriate Nationals modality.

B. Linkages with regional programmes

30. The Government intends to take greater advantage of regional cooperation framework programmes for Africa supported by UNDP. Such programmes include the NLTPS exercises, the Africa Capacity-Building Initiative, the Special Facility for Governance, Enterprise Africa Project, the United Nations Development Fund for Women/Southern African Development Community Gender Programme aimed at facilitating women's participation in constitutional reform, the Private Sector Initiative for Microfinance (Micro-Start), and the Integrated Water Resource Development within SADC. Due attention will be paid to the integration of regional programmes into national activities according to priorities identified through the Economic and Social Reform Agenda and the National Development Strategy.

C. Monitoring, review and evaluation

31. The Government intends that programme monitoring and review will rely on four main instruments. First, Programme monitoring, review and evaluation mechanisms within the Government will be established and/or strengthened, with

particular emphasis on the cross-sectoral nature of the programmes. Second, a high-level steering mechanism for overall programme and policy guidance will be established and a programme implementation committee will be set up to take responsibility for the integrated implementation of national programmes. Third, the efforts of these bodies will be complemented by those of an annual CCF review committee to assess the status of implementation and ascertain continuing programme relevance, thereby enabling timely decisions to be taken on the development of new programme initiatives. Fourth, the Government expects that UNDP will strengthen its own monitoring and follow-up of interventions. The overall effectiveness of the programmes will be ensured through the design of an agreed-upon set of benchmarks for regular review and monitoring.

D. Resource mobilization strategy and targets

32. With expected core resources of $1.39 million, the Government anticipates that UNDP cooperation will be devoted to supporting the promotion of an enabling environment and the implementation of the two programmes outlined above, with the understanding that other external resources will be mobilized. In close consultation with UNDP, the Government will identify opportunities and develop and implement strategies for mobilizing additional resources from bilateral donors and the private sector in the country. A number of resident donors (the United Kingdom of Great Britain and Northern Ireland, the United States of America, the European Union, Taiwan Province of China, and South Africa) are either involved in or have expressed their interest in supporting sustainable livelihoods and governance programmes. Another strategy to mobilize additional resources that the Government will follow is to approach potential donors accredited to Swaziland but resident in Pretoria (South Africa), Maputo (Mozambique) and Harare (Zimbabwe).

33. It is the intention of the Government to use the round-table mechanism for policy dialogue, aid coordination, and resource mobilization. The central responsibility for aid coordination, management, and monitoring lies with the External Assistance Unit of the Ministry of Economic Planning and Development. The Government wishes to see UNDP continue to strengthen the Ministry capacity to lead the coordination process, including improved harmonization of donor programmes and full integration of donor support into the National Development Strategy and the Economic and Social Reform Agenda.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR SWAZILAND (1997-1999)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	(132)	
TRAC 1.1.1	834	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
SPPD/STS	87	
Subtotal	789[a]	
NON-CORE FUNDS		
Government cost-sharing	1 000	
Sustainable development funds	208	GEF
Third-party cost-sharing	2 500 of which: 1 500 1 000	 From local private business in support of the programme in poverty eradication From bilateral donors in support of two programmes
Funds, trust funds and other	250	UNIFEM
Subtotal	3 958	
GRAND TOTAL	4 747[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; IPF = indicative planning figure; SPPD = support for policy and programme development; development; STS = support for technical services; TRAC = target for resource assignments from the core; and UNIFEM = United Nations Development Fund for Women.